



# **Section L**

## ***Landlord & Site Services***

### **PROJECT MANAGERS**

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## INTRODUCTION

Landlord and Site Services consists of Project Baseline Summary (PBS) RL-SS02, Work Breakdown Structure (WBS) 3.4.2.

NOTE: Unless otherwise noted, all information contained herein is as of the end of April 2002.

Fiscal-year-to-date milestone performance (EA, DOE-HQ, and RL) shows that one milestone was completed ahead of schedule and one milestone is forecasted on schedule.

## NOTABLE ACCOMPLISHMENTS

### Landlord Services, 3.4.2.1

**Spring Reactor Shipments Completed** - The Road Maintenance Team supported personnel with Neil F. Lampson, Inc. in transporting the ex-USS William H. Bates (SSN 680), a defueled Navy reactor compartment, from the Port of Benton to Trench 94 in the 200 East Area on April 7, 2002. On March 31, 2002, the ex-USS L. Mendel Rivers (SSN 686) was transported to Trench 94. These two movements complete the spring schedule. Six additional shipments are scheduled this fall beginning on September 7, 2002.



**Project Maintenance Center (PMC) Implementation Initiatives** - The Materials Management and Work Management Workshops in support of re-engineering project maintenance processes are complete. The PMC Executive Steering Committee reviewed and accepted a path forward to implement 10 business process improvement (BPI) initiatives for materials management. An implementation plan, detailed schedule, and cost analysis (including life cycle savings) is currently being coordinated and aligned with the projects. An additional twelve work management initiatives will be briefed to the Steering committee. Successful implementation of these initiatives support cost reduction targets. Twelve Work Management BPI initiatives were briefed to the Executive Steering Committee and other briefings are currently underway. The Predictive & Preventive Maintenance/Calibration Business Process Improvement Workshop has approximately 60 initiatives that are being reviewed for development.

**Underground Storage Tank Discovery** - Actions to disposition a recently discovered underground storage tank (abandoned fuel station) in the 300 Area are complete. The Washington State Department of Ecology (Ecology) has expressed its satisfaction. Actions taken include the characterization, removal, and disposition of residues in the tank. A site assessment was conducted in accordance with regulations for underground storage tanks. Based on the results, further cleanup action is not necessary. The actions will be closed out by backfilling the excavation with native soils and imported fill, and recycling the steel tank.



**Prescribed Burning of Vagrant Tumbleweeds** - The Hanford Fire Department (HFD) conducted prescribed burning of compacted tumbleweeds at the Rattlesnake Barricade, Central Landfill, the cut in the 200 East Area hill, and the 200 West Area Ash Pit on April 6, 2002 and April 7, 2002.

**Site Fabrication Services (SFS) Consignment Inventory** - SFS, assisted by FH Procurement and Quality organizations, partnered with NOVA Machine Products Corporation to bring a "Consignment Inventory" of fastener products to the Hanford Site. The availability of this vendor owned "quality level" material will be utilized by SFS to enhance the ability of the organization to produce fabrications in a shorter timeframe.



### **Analytical Services, 3.4.2.2**

**Analytical Services Proposed Two Technologies to Support Life-Cycle Cost Reductions** - FH Analytical Services proposed two technologies which support Hanford's High Level Waste Tanks Mission Acceleration Initiative. One is Clean Salt (sodium nitrate) removal before waste treatment (sodium nitrate is a high percentage by volume in the waste tanks) and the other is Chromatographic Retrieval of Wastes which, if proven, could selectively remove various constituents through successive water washes. Both have been demonstrated in the laboratory and were selected by CH2M HILL Group (CHG) as two of the top ten alternatives for saving money and time in waste treatment. Further evaluation will be done to see if these technologies warrant funding for planned deployment in 2005.

### **Infrastructure Upgrades, 3.4.2.3**



**Project L-338, "Septic Tank Soil Absorption System to Relieve 2601-W1"** - This project designs and installs a new soil absorption system (drainfield) for the central and northern portions of the 200 West Area, including the PFP. Clearing and grubbing of the sagebrush from the project site was completed on April 2, 2002. Design is approximately 85% complete and is expected to complete by May 23, 2002.

## **BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT**

### **Breakthroughs**

**Occurrence Reporting** — FH Emergency Preparedness (EP) has been working with RL in an effort to enhance the quality of occurrence reports required by DOE O 232.1A, "Occurrence Reporting and Processing of Operations Information." EP will conduct an occurrence reporting workshop in late May to provide recent feedback to FH projects resulting from DOE-HQ/EM and RL reviews of final occurrence reports. EP (Occurrence Notification Center) will also be providing a review process for all FH occurrence reports and a process to track occurrence report quality improvements.

## Opportunities for Improvement

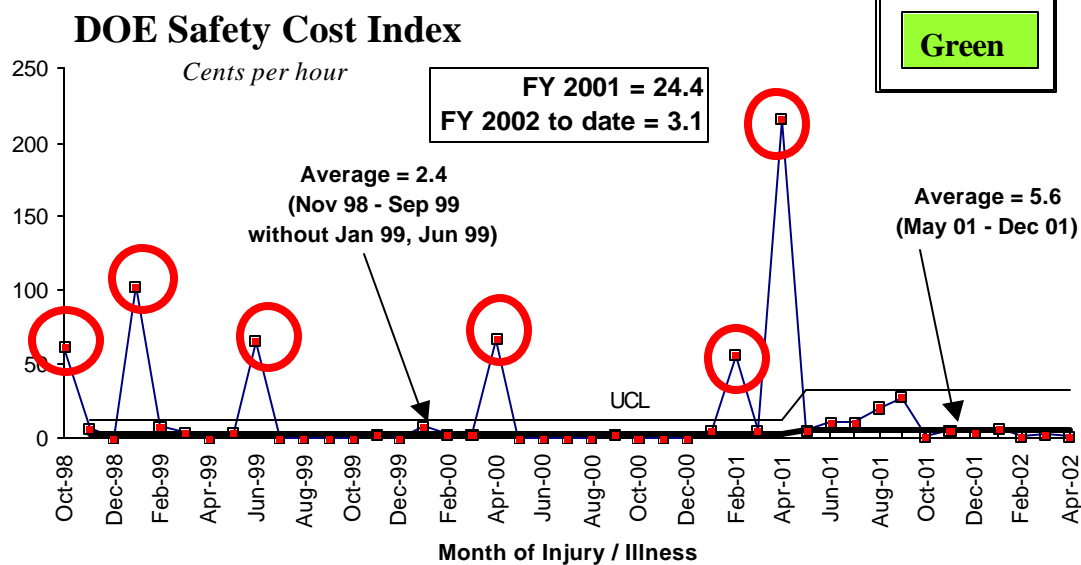
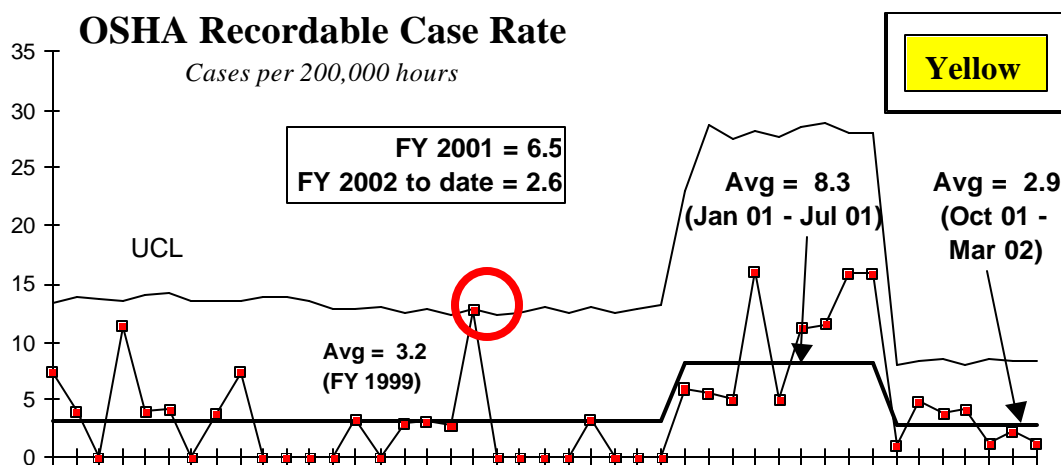
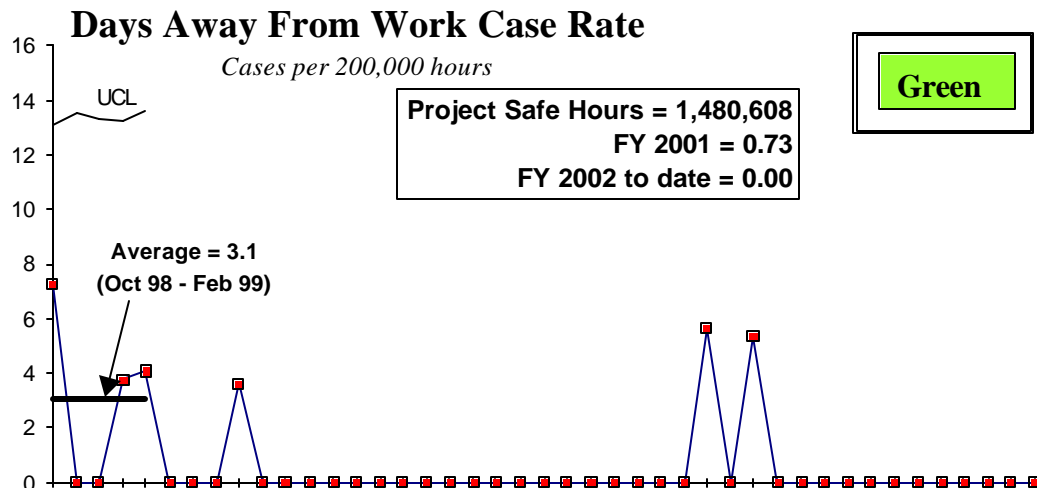
**Thermal Imaging Technology for Inspection of Export Water System** — New technology is being proposed for the inspection and evaluation of the 25-mile Export Water System (EWS). About every 2,000 feet along the EWS there would be an excavation down to buried access points and a robotic camera would be sent down the line to film the inside of the pipe. In researching alternate methods for identifying water leaks and quantifying which water lines need to be replaced on a priority basis, a proposal was made to use fly over and Thermal Imaging Equipment to determine below-ground characteristics of systems without excavating and/or visual inspection of the inside of the pipe. A fly over of the EWS using Thermal Imaging Equipment can be accomplished for about \$25K to \$30K and would cut down the amount of the piping system that would need to be visually inspected from inside. Utilization of this technology is expected to save approximately \$450,000 (preliminary estimate based on inspecting approximately half of the 25-mile piping system on the inside).

## UPCOMING ACTIVITIES

**Hanford Site Field Exercise** — EP is currently preparing for this year's Hanford Site Field Exercise. The 2002 Annual Field Exercise, scheduled for June 20, 2002, is being conducted by the Hanford Site Emergency Preparedness Exercise Program organization for the U.S. Department of Energy, Richland Operations Office (RL) and Office of River Protection (ORP). The purpose of the exercise is to provide emergency responders from Hanford, the states of Washington and Oregon, and the counties Benton, Franklin, and Grant, the opportunity to respond to a simulated onsite transportation accident involving a radioactive shipment and a wild land fire on the Hanford Site. The exercise will also provide Hanford Site Emergency Preparedness with an opportunity to validate improvements made since the 2001 Hanford Field Exercise.

## SAFETY

Several actions have been initiated to improve safety performance including implementing a Zero Accident Council (ZAC) structure, which includes six directorate and 35 grass-roots level councils, and implementing a Safety Improvement Program. The OSHA Recordable Case Rate has been reset to Yellow since it has stabilized out at a rate higher than the DOE CY 2001 average. The DOE Safety Cost Index is stable at the new lowered baseline. In October 2001, all organizations except for IRM were added into the Landlord category. This significantly increased the population size of this group.



## MILESTONE ACHIEVEMENT FH CONTRACT MILESTONES

Number	Milestone Title	Type	Due Date	Actual Date	Forecast Date	Status/ Comments
LLP-01-535	L-339, PFP Water System Isolation - Install Sanitary Water to WRAP	RL	12/28/01	12/20/01	12/21/01	Completed.
LLP-01-515	L-276, Equipment bay Const. Phase II - Complete Construction of Project L-276	RL	6/14/02		6/14/02	On Schedule.

NOTE: Above data includes all TPA/DNFSB/Performance Incentive milestones as included in the FH baseline, and provides Contract-to-Date status.

## PERFORMANCE OBJECTIVES

Nothing to report at this time.

## FY 2002 SCHEDULE / COST PERFORMANCE – ALL FUND TYPES FY TO DATE STATUS – (\$000)

		FYTD							
By PBS		BCWS	BCWP	ACWP	SV	%	CV	%	BAC
PBS SS02	Landlord Services	37,673	37,830	37,203	157	0.4%	627	1.7%	69,009
WBS 3.4.2.1									
PBS SS02	Analytical Services	19,541	18,668	18,647	(873)	-4.5%	21	0.1%	34,647
WBS 3.4.2.2									
PBS SS02	Infrastructure Upgrades	5,123	3,255	2,708	(1,868)	-36.5%	547	16.8%	11,753
WBS 3.4.2.3									
PBS SS02	Landlord & Site Services	7,011	7,011	7,586	-	0.0%	(575)	-8.2%	12,104
WBS 3.4.2.4	Project Management & Support								
PBS SS02	Landlord & Site Services	(19,882)	(19,882)	(14,859)	-	0.0%	(5,023)	25.3%	(34,084)
WBS 3.4.2.4	Revenue								
<b>Total SS02</b>		<b>49,466</b>	<b>46,882</b>	<b>51,285</b>	<b>(2,584)</b>	<b>-5.2%</b>	<b>(4,403)</b>	<b>-9.4%</b>	<b>93,429</b>

## FY TO DATE SCHEDULE / COST PERFORMANCE

For all active sub-PBSs and TTPs associated with the Operations/Field Office, Fiscal Year to Date (FYTD) Cost and Schedule variances exceeding + / - 10 percent or one million dollars require submission of narratives to explain the variance.

## Schedule Variance Analysis: (-\$2.6M)

### Landlord Services — 3.4.2.1/SS02

**Description and Cause:** The \$0.2M (0.4 percent) favorable schedule variance is within established threshold.

**Impact:** None.

**Corrective Action:** None.

### Analytical Services — 3.4.2.2/SS02

**Description and Cause:** The \$0.9M (5 percent) unfavorable schedule variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

### Infrastructure Upgrades — 3.4.2.3/SS02

**Description and Cause:** The \$1.9M (37 percent) unfavorable schedule variance is due to the deferral, late start, or on hold status of many infrastructure construction activities (water line replacements, road refurbishments, electrical upgrades, facility upgrades, and radio frequency) and equipment replacement contracts due to FY 2002 funding issues. The unfavorable schedule variance is skewed due to the completion of a fire truck in FY 2001 planned for completion in FY 2002 (fiscal year to date performance does not allow for performance from a prior year to count towards schedule completion in the current fiscal year).

**Impact:** Several contracts for capital equipment procurements remain on hold (aerial man-lift, electrical utility truck, test truck) due to FY 2002 spending constraints. The continued deferral of infrastructure upgrades and equipment may potentially impact other site operations due to unplanned failures to aging systems.

**Corrective Action:** High priority upgrades are proceeding. A baseline change request is in process to defer selected projects.

### Landlord & Site Services Project Management & Support — 3.4.2.4/SS02

**Description and Cause:** None.

**Impact:** None.

**Corrective Action:** None.

### Landlord & Site Services Revenue — 3.4.2.4/SS02

**Description and Cause:** None.

**Impact:** None.

**Corrective Action:** None.

## Cost Variance Analysis: (-\$4.4M)

### Landlord Services — 3.4.2.1/SS02

**Description and Cause:** The \$0.6M (1.7 percent) favorable cost variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

**Analytical Services — 3.4.2.2/SS02**

**Description and Cause:** The \$0.02M (0.1 percent) favorable cost variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

**Infrastructure Upgrades — 3.4.2.3/SS02**

**Description and Cause:** The \$0.5M (17 percent) favorable cost variance is due to the receipt of a favorable bid for Project L-310, "Replacement of 24-inch Export Water Line." In addition, Project L-276, "Emergency Services Vehicle Bay Renovation," costs are skewed due to understated accruals and overstated progress of the project.

**Impact:** None.

**Corrective Action:** None.

**Landlord & Site Services Project Management & Support — 3.4.2.4/SS02**

**Description and Cause:** The \$0.6M (8.2 percent) unfavorable cost variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

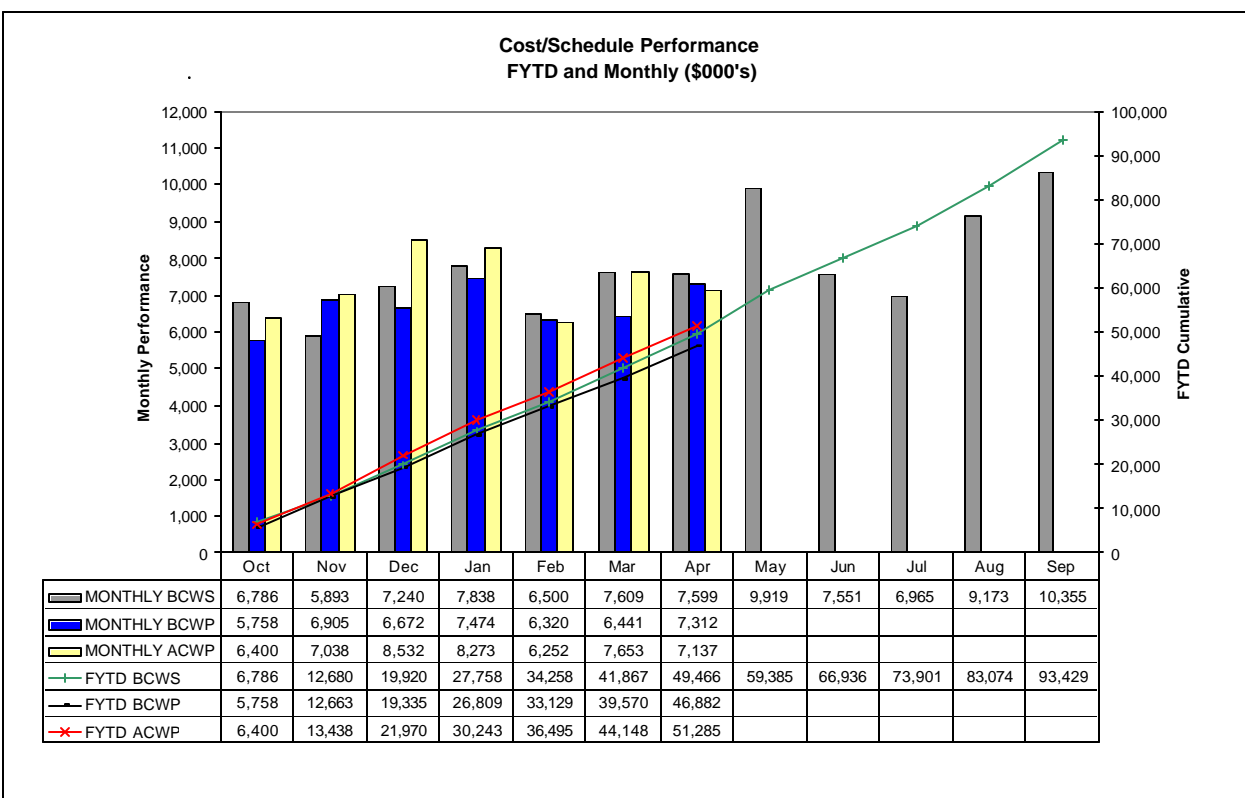
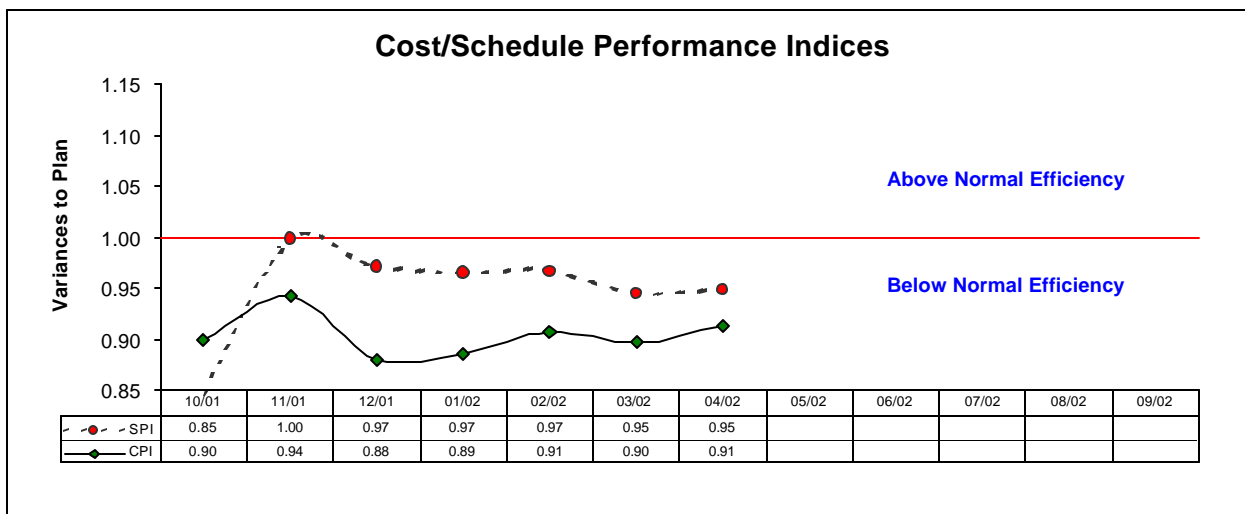
**Landlord Services Revenue — 3.4.2.4/SS02**

**Description and Cause:** The \$5.0M (25 percent) unfavorable cost variance is due to shortfalls in shared services revenue assessments to non-PHMC customers, variance in the planned versus actual direct distributable base, and a reduction in Fabrication Services direct labor adder. The maintenance, janitorial, and ESH&Q department overheads originally assumed to be included in the shared service assessment to CHG direct distributable rate are excluded because they were not classified as a shared service in FY 2001.

**Impact:** FH reallocation of funds has partially addressed projected revenue shortfalls. However, the recently identified revenue issue (revision in direct distributable labor base assumption) results in a projected \$1.1M direct distributable shortfall.

**Corrective Action:** Discussions/analysis are ongoing regarding necessary corrective actions.

## COST / SCHEDULE PERFORMANCE (MONTHLY AND FYTD)



## FUNDS MANAGEMENT

### FYTD FUNDS VS SPENDING FORECAST (\$000)

	FH Funds Reallocation	FYSF	Variance
<b>3.4.2 Landlord &amp; Site Services - SS02</b>			
Project Completion - Operating - Line Item	\$ 91,912	\$ 92,817	\$ (905)
<b>Total</b>	<b>\$ 91,912</b>	<b>\$ 92,817</b>	<b>\$ (905)</b>

## ISSUES

### Technical, Regulatory, External, and DOE Issues and DOE Requests

**Issue:** Nothing to report at this time.

**Impacts:** None.

**Corrective Action:** None at this time.

## BASELINE CHANGE REQUESTS CURRENTLY IN PROCESS

BCR No./ Level 4 WBS	Date Originated	Description	Impact		Date Approved	Status
			Days	Dollars (\$000s)		
FH-2002-007/3.4.2.1	1/23/02	Transfer Facilities per RL Letter of Direction	0	0		In process (outyear cost impact - \$1.1M).
FH-2002-012/3.4.2.1	2/20/02	Transfer of Geospatial Management Workslope	0	112		FH-RMB returned BCR without action 4/29/02. BCR cancelled based on current planning assumption which transfers IRM workslope from PBS SS01 to Landlord & Site Services PBS SS02 in FY 2003.
SS02-02-020/3.4.2.2	2/5/02	RL Requested USQ Process Change Impacts on the 222-S Laboratory	0	5		In process.
SS02-02-025/3.4.2.1	3/8/02	Operation and Maintenance Responsibility of Lift Station Number One	0	0		Project approved 3/27/02. Submitted to pre-RMB for review. Pre-RMB returned to project for further action.
SS02-02-028/3.4.2.1-3.4.2.2	3/28/02	Nuclear Safety Basis Strategy in Accordance with 10 CFR 830	0	436		Approved by Project Director 4/1/01; Submitted to FH SPI 4/1/01. FH Mega BCR (FH-2002-011) in preparation.
SS02-02-029/3.4.2.3	4/4/02	Rebaseline Project L-347, VHF/UHF Narrowband Migration				In development.

NOTES: "Impact" refers to the impact in terms of the number of days or dollars changing from the 9/30/01 baseline.  
"Date Approved" refers to date of change as approved by final approval authority.